HB 255

Department of Legislative Services

Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 255 (Delegate Hill, *et al.*)
Appropriations

Department of Aging - Grants for Aging-in-Place Programs - Funding

This bill authorizes grants provided by the Maryland Department of Aging (MDOA) to nonprofit organizations and area agencies on aging (AAAs) for aging-in-place programs to also be used to provide seniors the opportunity to live in a "senior village." The bill repeals the requirement that funding for such grants be as provided in the State budget; instead, the Governor must include at least $100,000 in the annual budget for the purpose of making the grants. At least 20% of funding must be used to support senior villages. **The bill takes effect June 1, 2021.**

Fiscal Summary

State Effect: No effect in FY 2021. MDOA general fund expenditures increase by *at least* $26,900 in FY 2022 to develop the program. Beginning in FY 2023, MDOA general fund expenditures increase by $100,000 annually to provide grants and for ongoing administration. **This bill establishes a mandated appropriation beginning in FY 2023.**

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenues	$0	$0	$0	$0	$0
GF Expenditure	26,900	100,000	100,000	100,000	100,000
Net Effect	($26,900)	($100,000)	($100,000)	($100,000)	($100,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: Local governments that operate AAAs as a unit of government may realize increased revenues as a result of any grants received under the bill. Local government expenditures increase correspondingly.

Small Business Effect: None.

Analysis

Bill Summary: "Senior village" means a local, member-driven, nonprofit organization that (1) supports community members who choose to age in place by fostering social connections through activities and events and coordinating volunteer help at a senior's home using a neighbor-helping-neighbor model and (2) is exempt from taxation.

Current Law: Aging-in-place programs allow individuals to remain in their home while participating in their community safely, independently, and comfortably, regardless of their age, income, or ability level.

Chapters 308 and 309 of 2019 authorized MDOA to make grants to nonprofit organizations and AAAs to expand and establish aging-in-place programs. Any nonprofit organization or AAA may apply to MDOA for a State grant to be applied toward the cost of expanding or establishing an aging-in-place program that provides to seniors:

- assistance with the cost of in-home personal care services for activities of daily living, including bathing, personal hygiene and grooming, dressing, toileting, functional mobility, food preparation, laundry, and house cleaning;
- psychological, economic, or functional assistance to enable successful health management, access to medical care, or compliance with treatment recommendations;
- awareness of and access to resources, services, and benefits;
- support services and care coordination;
- affordable transportation; or
- assistance making in-home modifications or repairs to improve safety, mobility, and accessibility.

A nonprofit organization or AAA must demonstrate an equal match for the funds requested. Funding for the grants is as provided by the Governor in the annual State budget.

State Expenditures: The aging-in-place grant program took effect June 1, 2019; however, MDOA did not receive funding or additional staff to support the grant program. As the bill establishes a $100,000 mandated appropriation (which applies to fiscal 2023 and beyond), MDOA requires staff to administer the grant program. This analysis assumes MDOA prepares to administer the grant program in fiscal 2022, with one part-time (50%) program administrator to establish the grant application and award process; beginning in fiscal 2023, that administrator will evaluate grant applications and make awards. Accordingly, MDOA general fund expenditures increase by at least $26,886 in fiscal 2022, which reflects a hiring date of January 1, 2022. This estimate includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

	FY 2022	FY 2023
New Position	0.5	0
Grants	$0	$58,024
Salary and Fringe Benefits	21,632	41,648
One-time Start-up Expenses	5,090	0
Ongoing Operating Expenses	164	328
Total State Expenditures	**$26,886**	**$100,000**

Future year expenditures reflect a half-time salary with annual increases and employee turnover and ongoing operating expenses, and the provision of grants beginning in fiscal 2023. Personnel expenditures are assumed to be covered under the mandated appropriation (which is for the purpose of *making* grants, not just for the grants themselves) beginning in fiscal 2023 when MDOA general fund expenditures increase by $100,000 annually. Although discretionary, additional funding could be provided in fiscal 2022 so that grants could be awarded sooner.

Additional Information

Prior Introductions: HB 498 of 2020 was passed by the General Assembly but was vetoed by the Governor due to concerns regarding the economic challenges resulting from the COVID-19 pandemic.

Designated Cross File: None.

Information Source(s): Maryland Department of Aging; Department of Budget and Management; Department of Legislative Services

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